

FINANCE COMMITTEE

Committee Members present: Joe Winkelmann and Harry Atherton

The Finance Committee met on November 28, 2001, at 2:00 p.m. in the 4th Floor Conference Room of the Court and Office Building. This document reflects the official minutes of that meeting.

Work Session:

1. Utility Fund

John Tuohy, Finance Director, briefed the Finance Committee on the various components of the Utility Fund. The Committee directed the Budget Office to work with the Finance Department to align appropriations within the Fund based on prior decisions of the Board of Supervisors.

2. Radio Manager

The work session was related to the Radio Manager position and funding support options. Based on a review of the situation, the Committee approved the recommendation to move the Radio Manager out of the Warrenton-Fauquier Joint Communications Center (WFJCC) budget and transfer the WFJCC Director position into the WFJCC budget. Net funding impact of this action would be \$0. Adjustments would have to be made to properly align the funding involved. The necessary documentation will be provided at the next Finance Committee meeting.

Treasurer's Report: The Treasurer's Report was submitted for the Finance Committee's consideration.

County Attorney Report: Tracy Gallaher presented the County Attorney's Report on that Office's efforts in collecting delinquent taxes.

Supplemental Appropriations:

The following supplemental appropriations and transfers were approved for forwarding to the Board of Supervisors for their consideration unless otherwise noted.

Consent Agenda

1. School Division *

- a. \$86,108 was approved for appropriation from State funds for Standards of Learning Training.
- b. \$25,695 was approved for appropriation from State funds for Standards of Learning Remediation.
- c. \$8,392 was approved for appropriation from State funds for the At Risk Four-Year Old Program.

- d. \$29,916 was approved for appropriation from State funds for Rappahannock's portion of the Regional Alternative Education Program.

**These issues represent the balance of unexpended State funds from FY 2001.*

2. Sheriff's Office

- a. \$1,699 was approved for appropriation from DEA Federal Forfeiture Proceeds.
- b. \$510 was also approved for appropriation from DEA Federal Forfeiture Proceeds.

3. Clerk of Circuit Court

- a. \$2,400 from State funds was approved for appropriation for two (2) computers and printers.
- b. \$15,037 from the Contingency Reserve was approved to fund an Accounting Clerk Position in the Clerk of the Circuit Court's Office.

4. Registrar

\$20,417 from the Contingency Reserve was approved for an Assistant Registrar Position.

5. Human Resources

\$11,048 was approved for reappropriation from the FY 2001 Carryover – Fund Balance for employee training. These funds represent the unexpended balance from FY 2001.

Regular Agenda

6. School Division

- a. Prepaid Services: A two year contract was signed for filtering of Internet access. A savings of \$4,800 resulted from having a two year contract. The School Division wanted to pay for both years with FY 2001 funds. Because of accounting restraints requiring payments to be made in the year services are received, this prepayment could not take place. The basic issue was whether this was a carryover item. After discussion, the Committee approved the \$8,400 be taken from the Schools FY 2001 year end available balance prior to the split for the Construction Reserve.
- b. Request was to appropriate \$17,227 to the Marshall Middle School Construction Project from a construction premium which was realized in the borrowing of construction funds for the School. The Budget Office recommended these funds be placed in the School Construction Reserve until a specific need at Marshall Middle School was identified. The Committee directed the Budget Office to research this issue with legal counsel to determine if the funds were required to be approved as requested. Paul McCulla's, County Attorney, review of this issue supported the School request. Funding will be appropriated to Marshall Middle School Construction Project.
- c. \$863,885 in Carryover – Fund Balance was approved for reappropriation for multiple school related issues. The Finance Committee cautioned the School Division of possible State funding reductions and to expend these funds with prudence. An understanding was reached that the School Division will address any reduction of State funds internally without requesting additional funds from the County.

7. Community Development

\$50,793 was requested to be appropriated for a Building Inspector position. Due to the length of time associated with recruitment and hiring, \$33,359 was approved for appropriation. Funding for this position would be supported by changes in development fees. The position was approved with the understanding that it would be filled when work load dictates.

8. Comprehensive Services (CSA)

This item was removed from the Agenda and will be addressed in the December Finance Committee Meeting.

9. Economic Development

The Warrenton-Fauquier Visitors Center requested \$12,600 above their current budget of \$50,000. Funding would support costs related to increased staffing, additional employee benefits and space allocation costs. A decision on this request was deferred until the December meeting to allow the Visitors Center to provide additional information.

10. Office of Emergency Services

\$124,000 from the Fire and Rescue Fund Balance was approved for appropriation for the purchase of four (4) response vehicles.

11. Fire and Rescue

- a. Fire and Rescue Fund Balance of \$348,595 was approved for appropriation in a Capital Improvement account, Fund 271.
- b. \$17,759 was approved for expenditure from the Capital Improvements Plan (CIP) to replace an air compressor used to fill air packs.
- c. \$40,000 was approved for expenditure from the CIP for purchase of ten (10) air packs and repair of twelve (12) additional units.
- d. \$133,646 was approved for expenditure from the CIP for loan payoff on the Hazardous Material vehicle stationed at Warrenton Fire Department.
- e. \$32,800 was approved from the Fire and Rescue Capital account for two imaging cameras for the Warrenton Fire Department.
- f. \$32,635 was approved from the Fire and Rescue Capital account for vehicle loans belonging to the Remington Fire Department and Rescue Squad.
- g. \$21,482 was approved from the Fire and Rescue Capital account for parking lot repair at the Marshall Fire Department.
- h. \$23,936 was approved from the Fire and Rescue Capital account for fire protection gear for The Plains Fire Department and Rescue Squad.
- i. \$14,285 was approved from the Fire and Rescue Capital account to support the purchase of a fire truck for the Upperville Fire Department.

- j. \$37,138 was approved from the Fire and Rescue Capital account to support the purchase of a squad truck for the Warrenton Rescue Squad.
- k. \$19,650 was approved from the Fire and Rescue Capital account for fire station repairs to the Catlett Fire Department station.
- l. \$25,488 was approved from the Fire and Rescue Capital account for fire station repairs to the Goldvein Fire Department and Rescue Squad station.
- m. \$25,334 was approved from the Fire and Rescue Capital account to support a new ambulance for the Marshall Rescue Squad.
- n. \$23,451 was approved from the Fire and Rescue Capital account for fire station repairs at the New Baltimore Fire Department and Rescue Squad.
- o. \$12,477 was approved from the Fire and Rescue Capital account to support the purchase of a fire truck for the Orlean Fire Department and Rescue Squad.
- p. \$20,400 was approved from the Fire and Rescue Capital account for building upgrades for the Cedar Run Rescue Squad.
- q. \$12,201 was approved from the Fire and Rescue Capital account to use toward the construction of a new fire station for the Lois Fire Department.

13. Parks and Recreation

\$5,000 was approved for appropriation from the Contingency Reserve to move a donated batting cage to a storage area until a permanent site can be determined.

Comments

1. Health Insurance Report

John Tuohy reported that the County health care claims for the first quarter of the fiscal year are 5% above last years costs during the same time frame. This rate of expense is below the 8% average from the two previous years.

2. Revenue Committee

FY 2002

Revenue was reported stable overall through first quarter of FY 2002. State revenue, however, was identified as a concern based on the receipt of several documents indicating a significant budget shortfall at the State level. While the Governor has not specifically identified where adjustments will come from, he has directed State agencies to identify budget reductions of 2%. In all probability this will have an impact locally. For FY 2002 the School Division is budgeted to receive \$24.6 million and the General Government \$7.5 million from the State. As an example the possible impact of a 2% reduction in these funds would represent a loss of approximately \$642,000. The School Division's Superintendent and School Board Members in attendance were made aware of this situation in the earlier part of the Finance Committee meeting and indicated they would address any shortfall internally.

In planning for a possible revenue reduction, the Budget Office and County Administration are working to identify funds which can be used as Revenue Stabilization (Rainy Day Fund) which will serve as a contingency against loss of revenue to the General County Government.

FY 2003

As part of the FY 2003 budget development, it was reported that the current economic conditions including possible State impact was being taken into consideration in forecasting revenue.